



Legislative Bulletin.....February 4, 2004

Contents:

H.R. 3030—Improving the Community Services Block Grant Act of 2003

Summary of the Bills Under Consideration Today:

Total Number of New Government Programs: 0

Year to Date Prior to Today's Bills: 1

Total Cost of Discretionary Authorizations: \$4.3 billion over five years

Year to Date Prior to Today's Bills: \$102.6 million over five years

Total Amount of Revenue Reductions: \$0

Year to Date Prior to Today's Bills: \$317 million over five years

Total Increase in Mandatory Spending: \$0

Year to Date Prior to Today's Bills: \$23 million over five years

Total New State & Local Government Mandates: 0

Year to Date Prior to Today's Bills: 0

Total New Private Sector Mandates: 0

Year to Date Prior to Today's Bills: 4

**H.R. 3030—Improving the Community Services Block Grant Act of 2003
(Osborne)**

Order of Business: The bill is scheduled for consideration on Wednesday, February 4th, under a modified open rule. Under the rule, only amendments pre-printed in the Congressional Record will be made in order.

Summary: H.R. 3030 reauthorizes the Community Services Block Grant (CSBG) program at the Department of Health and Human Services (HHS) through fiscal year 2009. The CSBG

program provides funds to states through a block grant, which is then distributed to local agencies for antipoverty activities.

The changes made to the CSBG through H.R. 3030 are as follows:

- Modifies the purposes and goals of the program to emphasize poverty reduction and economic self-sufficiency.
- Requires eligible entities to develop and meet locally determined goals and meet the state's goals, standards, and performance requirements.
- Requires the state application and plan to include an assurance that funds will be used (among other things) for initiatives to "improve economic conditions and mobilize new resources in rural areas to eliminate obstacles to the self-sufficiency of families and individuals in rural communities."
- Requires the state application and plan to include an assurance that the state will take action to improve performance or, when appropriate, eliminate funding of low-performing local agencies. If the state continues to fund persistently low-performing entities, it must provide justification to the Secretary of HHS.
- Requires the Secretary of HHS to disseminate information regarding best practices to the states and to assist states in developing reporting systems and electronic data systems.
- Requires states to include information on the timeliness of the distribution of funds to eligible entities in their annual report.
- Requires eligible local entities to develop "locally determined goals" for leveraging and mobilizing community resources; fostering coordination of federal, state, local, private, and other assistance; and promoting community involvement. In order for an entity to receive future grants, it must demonstrate to the state that it has met its locally determined goals.
- Requires the Secretary of HHS to coordinate reporting requirements between CSBG and other programs at HHS.
- Prohibits religious organizations from discriminating against a beneficiary or potential beneficiary on the basis of religion.
- Adds to allowable community economic development activities "financial assistance for construction or substantial rehabilitation of buildings and facilities, and for loans or investments in private business enterprises owned by community development corporations." (Davis-Bacon would not apply)
- Requires the Secretary of HHS to establish procedures for permitting funds or assets acquired through Community Economic Development grants to become the sole property of the community development corporation after 12 years.
- Requires the Secretary of HHS to establish procedures to allow a community development corporation to carry out activities that are different, but substantially similar, to the activities outlined in the original grant application.

H.R. 3030 continues the current-law authorization of "such sums" for the block grant and community food and nutrition programs, and \$15 million for the National Youth Sports Program through fiscal year 2009.

Possible Amendments:

Scott #1: Adds “religion” to the nondiscrimination clause in current law and strikes the current-law language allowing faith-based organizations participating in CSBG to hire on the basis of religion. **RSC staff vote recommendation: No**

Scott #2: Adds a new requirement that religious organizations conducting sectarian worship, instruction, or proselytization must make those activities voluntary and offer them separately from any activities funded through the CSBG. The organization is required to file a certification that is in aware of and will comply with this requirement. **RSC staff vote recommendation: No**

Miller, George #3: Strikes the original text of H.R. 3030 and replaces with identical language except that the amendment adds “religion” to the nondiscrimination clause in current law and strikes the current-law language allowing faith-based organizations participating in CSBG to hire on the basis of religion. **RSC staff vote recommendation: No**

Woolsey #4: Strikes the original text of H.R. 3030 and replaces with identical language except that the amendment adds “religion” to the nondiscrimination clause in current law and strikes the current-law language allowing faith-based organizations participating in CSBG to hire on the basis of religion. The amendment also would require religious organizations to operate in a “lawful and secular” manner. **RSC staff vote recommendation: No**

Miller, George #5: Adds a new program requiring the Secretary of HHS to provide grants to states to “provide financial and employment support” to individuals to have exhausted state unemployment benefits and who cannot receive Federal unemployment compensation after December 20, 2003. Eligibility and benefit amounts would be the same as for the Federal extended temporary unemployment compensation program. Authorizes “such sums as may be necessary.” **RSC staff vote recommendation: No**

Committee Action: H.R. 3030 was introduced on September 5, 2003, and referred to the Committee on Education and the Workforce. The Committee considered the bill on October 1, 2003, and favorably reported it to the full House by a vote of 28-20.

Cost to Taxpayers: The Congressional Budget Office estimates that H.R. 3030 will authorize \$679 million for fiscal year 2004 and \$4.3 billion over the 2004-2009 period (adjusted for inflation). CBO further estimates that appropriation of the authorized levels would result in outlays of \$3.9 billion over the 2004-2009 period (adjusted for inflation).

Appropriations for community services programs (including CSBG and other discretionary programs) totaled \$710 million in FY04. In the FY05 budget, the Administration has requested \$527 million and has proposed eliminating the National Youth Sports Program, the Rural Community Facilities program, and the Community Food and Nutrition program.

Does the Bill Create New Federal Programs or Rules?: H.R. 3030 does not create any new programs, but it does add some additional requirements for states and local agencies receiving CSBG funds.

Constitutional Authority: The Committee on Education and the Workforce, in House Report 108-310, cites Article I, Section 8, Clause 1 (general welfare).

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